REPORT OF THE TASK FORCE
ON THE LEVELS OF COST-SHARING
OF MUNICIPAL ASSISTANCE

October 1988

Nova Scotia

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LIST OF RECOMMENDATIONS

The Task Force recommends that:

1.1 The primary criterion for determining eligibility for General Assistance be the needs test, which takes into consideration both a person's (family's) needs and resources. No individual or family should be denied assistance on a categorical basis or without completing the application form which is used to determine need.

1.2 Municipal units be encouraged to provide for the inclusion in the budget of a flat rate allowance of $150 per month when determining eligibility for senior citizens.

1.3 a) In order to promote fairness, equal access and the calculation of rationally derived assistance rates, all social assistance programs move to the adoption of one series of minimum standard rates and guidelines which identify allowances for food, clothing and miscellaneous personal expenses separately and,

b) When determining eligibility for General Assistance, municipal units include all items of basic need (food, clothing, rent or mortgage payments, fuel, utilities and household supplies) in the budget.

1.4 a) Food allowances be based on both the actual twelve month costs of the Agriculture Canada food basket for the City of Halifax and the projected increase in costs for the next twelve month period as determined by Agriculture Canada and,

b) Food allowances be paid regardless of sex of family members and regardless of family size on the following scale based upon age:

children	0-6
children	7 - 12
adolescents	13 - 18
adults	19 and over

1.5 Municipal general assistance programs adopt a supplementary juice and milk program for pregnant and lactating women similar to the services offered by the City of Halifax.

1.6 The provincial government explore and promote all approaches to the provision of a comprehensive and coordinated nutrition education program for assistance recipients.

1.7 (a) The Department of Community Services develop a mechanism for determining reasonable costs for clothing and that clothing allowances be based on the amounts determined by this mechanism.

(b) The Department of Community Services develop a mechanism for determining reasonable costs for miscellaneous personal expenses and that allowances for these expenses be based on the amounts determined by this mechanism.

1.8 Notwithstanding the provision of a regular clothing allowance, municipalities give consideration to funding certain essential clothing items under the special needs category.

1.9 As a first step, all combined food, clothing and miscellaneous municipal rates be raised as soon as possible to a level not less than the existing rates of Family Benefits.

1.10 a) In order to ensure that Government has access to realistic data on shelter costs, a joint committee of Community Services and Department of Housing staff be constituted to develop and monitor an ongoing mechanism for the collection of information on accommodation costs on which maximum shelter allowances would be based.

b) As its first priority, the joint committee on housing arrange a regional questionnaire and/or canvass to obtain a "snapshot" of housing conditions for assistance recipients across the Province to determine what types of housing, what levels of actual cost for shelter, fuel, etc., are available in Nova Scotia in an identified time frame.

1.11 Maximum municipal assistance rates for shelter be increased annually at a rate of $50 per month until the rate meets the average rent costs calculated by region by Canada Mortgage and Housing Corporation (CMHC).

1.12 A uniform policy on special needs which would apply to all Family Benefits and Municipal Assistance recipients and publicly supported residents in Homes for Special Care be drafted in consultation with municipal units. This policy should contain a detailed description of the special needs services available, of eligibility criteria and of the extent to which services will be covered.

1.13 Major community living support programs such as homemaker, community residence and in-home support, be separated from special need expenditures.

1.14 (a) Regulatory provision be made to facilitate the granting of special needs by municipalities to Family Benefits recipients using the Family Benefits budget as a base for determining need.

(b) Items of special need provided to Family Benefits recipients be reimbursed at 100%.

1.15 A pharmacare plan, similar to that available to disabled Family Benefits recipients be made available to all Family Benefits recipients and their dependents.

1.16 The limit to which a municipality can provide special needs without approval of the Director of Municipal Social Services be increased from $500 to $1,500.

1.17 The requirement of persons to provide evidence that they are actively pursuing employment opportunities be tempered by the actual employment opportunities in the region and only be imposed upon recipients who are truly "job-ready".

1.18 For persons who are receiving General Assistance, municipal units provide an earned income or rehabilitative incentive which would result in not less than 20% of the earned income or rehabilitation allowance, net of mandatory deductions, being exempted in determining the budget deficit.

1.19 In addition to the exemption of 20% on earned income and rehabilitation allowances, municipal units adopt special incentives which are more intensively targeted to those recipients with employment potential as compared with those recipients who are likely to require continuing assistance.

1.20 Consideration be given to exempting the first month's or portion of the first month's income from training and employment of Family Benefits recipients in order to avoid the current situation in which a recipient who obtains employment either incurs an overpayment or must wait until two or three weeks into the month to obtain income.

1.21 a) The provisions relating to settlement in the Social Assistance Act, Part 2, as it relates to general assistance, exclusive of In-Home Supports and Community Residence Programs, be repealed and replaced with a section that identifies that the municipal unit where the applicant resided the night prior to application be the municipal unit responsible for providing assistance.

b) The provisions of the Social Assistance Act, Part 2, be amended to eliminate all outstanding municipal receivables for general assistance relating to settlement.

1.22 A review be completed by the Department of Community Services of all municipal policies, practices and programs in respect to providing in-home supports for seniors and disabled persons to ensure that they meet cost-sharing requirements.

1.23 A review be conducted to ensure the Department's central depository of information clearly identifies the various programs now provided as General Assistance.

1.24 If for logistical reasons it is not possible to complete a home visit or thorough review within 24 hours of an application, assistance be provided to the applicant to meet immediate or emergency need.

2.1 The Department of Community Services provide for open-ended cost-sharing of all eligible municipal expenditures for general assistance and administration at a universal level of 75% for municipal units with an organized social services department and 66 2/3% for the others.

2.2 The Department of Community Services initiate a phase-in period with an annual reduction of not more than 5% per year from the effective provincial cost-sharing rates in the year prior to commencement be adopted for those municipal units that will experience reductions in cost-sharing under the proposed formula.

3.1 The cost of services in Homes for the Aged and Nursing Homes be universally insured with the resident responsible for a co-payment equal to the OAS/GIS income level less a personal use allowance of at least $83 per month.

3.2 Upon the introduction of an insured service, admissions to Homes for the Aged and Nursing Homes be limited to persons classified as requiring Type II care.

3.3 The Departments of Community Services and Health and Fitness should define clearly a policy respecting those residents assessed as requiring Type III (more extensive) care, clearly indicating the types of procedures to be carried out in facilities licensed for Type II care and the types of procedures to be carried out in extended care beds in Hospitals for Type III care.

3.4 The levels of assets exempted under the terms of the Canada Assistance Plan, i.e., $3,000 single and $5,500 married, be adopted by the Province as the standard exemptions to be used by all municipalities for the admission of residents to Homes for Special Care.

3.5 Effective April 1, 1989, municipal recoveries from family contributions be shared proportionally to cost-sharing with the Province.

5.1 A full review be initiated which will examine not only the service delivery mechanisms for the provision of income assistance within the province but also the options available to those who have increasingly found themselves recipients of long-term income support. Such a review should examine the roles of the provincial and municipal levels of government in the provision of service and assistance and should further examine the feasibility of categorical programming.

INTRODUCTION

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The Task Force on the Levels of Cost-Sharing of Municipal Assistance was established by the Honourable Thomas J. MacInnis in April 1988. The Task Force was mandated to carry out an indepth review and make recommendations within the following terms of reference:

a) To review and analyze the existing cost-sharing mechanism for general assistance.

b) To conduct a comparison of general assistance rates paid by municipalities across Nova Scotia, and to compare individual components of municipal rates to provincial Family Benefits rates. From this exercise to develop recommendations toward budgetary standards for municipal general assistance.

c) To identify items of special need and eligibility requirements for such items.

d) To conduct a review of municipal social services policies related to eligibility for Municipal Assistance, or for Homes for Special Care, including consideration of an individual's assets, and contributions by relatives and family of persons requiring placement in Homes for Special Care.

e) To develop alternative models of cost-sharing municipal general assistance, together with a cost analysis of each model.

f) To prepare recommendations for improvement to the current rate structure, and to develop recommendations for any required changes to the Act and Regulations.

Later the mandate was expanded to include a review of the Settlement Act in relation to its applicability to General Assistance.

The Task Force consisted of a core committee of representatives from municipal units, concerned interest groups and the Departments of Community Services and Municipal Affairs. Three working groups were established to review specific aspects of the mandate. These groups were comprised of members of the Task Force, as well as additional staff from the Departments involved, who had technical expertise related to the subject areas. (See Appendix A for members of the Task Force and Working Groups). Working Group I reviewed the cost-sharing mechanisms, Working Group II reviewed rates and Working Group III examined policies related to eligibility.

To meet the requirements of the mandate, the Task Force and Working Groups relied on a number of sources of information. Submissions were solicited from municipal units, organizations and individuals, both by invitation and through an advertisement published in the newspapers throughout the province. (See Appendix B for List of Submissions). Material relating to the social assistance systems in other provinces was examined. Working Group II conducted a survey of municipal policies related to basic and special needs. As well, reports prepared by the Nutrition Council, the Food Banks, etc., were reviewed. Information on food costs was obtained from Agriculture Canada and on shelter costs, from the Department of Housing and Canada Mortgage and Housing Corporation (CMHC). Working Group III surveyed the general assistance caseload to determine the types of assistance being provided. Data used to cost the recommendations were obtained from the Management Information System for the Family Benefits and General Assistance programs.

Although examination of the Family Benefits Program, the provincial social assistance program, was outside the mandate of the Task Force, the municipal and provincial programs complement one another so that recommendations for change to the general assistance program will have implications for the Family Benefits Program. In these cases, specific recommendations relating to Family Benefits have been made. As well, several recommendations for changes to the Family Benefits program have been made so that the province can set an example of the direction that future reforms to municipal programs might take.

Each Working Group completed a background report which was submitted to the Task Force during the summer of 1988. These reports were reviewed by the Task Force and form the substance of this final report.

HISTORICAL OVERVIEW

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The Early Years

In Nova Scotia, as in most of North America, the initial approach to dealing with the poor was for individual parishes throughout the Province to provide care through church institutions. The first provincial enactment of legislation was in 1758 when a portion of the Poor Law of England was incorporated into the Statutes of Nova Scotia. The Province acknowledged responsibility for the increasing number of indigent persons in those early years but in 1763, amendments to the Statutes assigned responsibility to the townships and later, in 1879 when the incorporation of municipalities was made compulsory, to municipalities.

Shortly after the adoption of the Poor Law, the practice of establishing workhouses commenced and these facilities, although originally intended to assist the able-bodied unemployed, expanded over the years and spaces were assigned to care for the sick, disabled, aged, children, mentally handicapped and mentally ill. Over time, conditions in the workhouses became appalling and many voluntary organizations and specialized facilities, primarily for children, were developed in the latter part of the 1800's. In 1905 a movement to establish a Children's Aid Society to protect children was started in Halifax and soon expanded throughout the Province.

Post-World War I

The Federal Government became involved in social welfare with the establishment of pensions for certain classes of citizens - first, the veterans of World War I, then the elderly and blind. Indeed, the Old Age Pension Act of 1927 started a major trend in the Canadian social welfare system, combining the spending power of the Federal Government with the legislative authority of the provinces to develop welfare programs. The Federal Government's initial approach under the Old Age Pensions Act was to share 75% of the cost, with the Province financing the remainder and delivering the programs.

In 1930 the first Mother's Allowance legislation (now part of the Family Benefits Program) was enacted in Nova Scotia acknowledging the Provincial Government's responsibility for needy mothers. This was followed by a number of federal initiatives, such as the Old Age Pension Act of 1935, the Blind Person's Allowance of 1937, and the Family Allowance Act of 1944. In 1952, the Federal Government enacted Universal Old Age Security for persons aged seventy and over, and the Province assumed responsibility for persons sixty-five to seventy years under a cost-sharing arrangement. By the early 1950's the Province,

five to seventy years under a cost-sharing arrangement. By the early 1950's the Province, through the Department of Public Welfare, (now Community Services), was administering Old Age Assistance, Disabled Person's Allowance (1954), Blind Person's Allowance, Mother's Allowance, and in 1956, expanded the provincial response for needy mothers by including benefit payments for deserted wives and wives of prisoners.

The Unemployment Assistance Act was passed in 1956. This was significant for several reasons - it provided for the Federal Government to share with the Province the cost of extending assistance to employables, and provided the impetus to the Province to rescind the Poor Law and replace it with the Social Assistance Act in 1958. The Social Assistance Act provided cost-sharing with municipalities for the provision of general assistance, maintenance of persons in Homes for Special Care and administration related to the development and operation of municipal social services offices. The Provincial rate of cost-sharing established in 1958 was 66 2/3% for general assistance and Homes for Special Care, and 50% for administrative costs.

The 1960's

The 1960's brought considerable change to the income security system in Canada. In 1961/62 a cost-shared program for vocational rehabilitation of physically and mentally disabled persons (VRDP) was established under federal legislation in an agreement with the Province. During the same time, negotiations began between the Federal Government and the provinces for a single program to finance social assistance which would combine the four categorical programs - Provincial Social Assistance, Old Age Assistance, Blind Person's Allowances and Disabled Person's Allowances - and determine eligibility on the basis of need. As a result, the Canada Assistance Plan (CAP) was enacted in 1966.

The 1966 session of the Nova Scotia House of Assembly gave legislative approval to a new Social Assistance Act. The Act was designed to take advantage of the provisions of the Canada Assistance Plan, whereby the Province would receive contributions towards the cost of providing social services as well as social assistance, with a view to increasing the preventive and rehabilitative aspects of social programs. The new provincial legislation made provisions for both provincial and municipal social assistance programs. Reimbursement to municipalities was extended to include coverage for Homemakers, VON services, drugs, funerals, travel and other approved social services as well as continuing coverage for persons in Homes for Special Care. Cost-sharing of municipal general assistance and administrative costs was increased from 66 2/3% to a minimum of 75% for all municipal units with an organized, approved social services department.

The Minister, speaking at the 1966 session of the Legislature, had this to say about the relationship of the provincial and municipal levels of government:

> "Each level of government should be responsible for those tasks and administer those programs where it has the greatest competence. The Province is more remote from the local community and may in certain cases be less responsive to its wishes and needs than the municipal welfare department. The municipal welfare department can, through its municipal council, meet the democratic wishes of the community in difficult social cases more effectively than the province through its programs. The Province, therefore, takes responsibility where the need may be readily established, where it is long term and where the eligibility for and the desirability of granting assistance is obvious. The municipal unit will be responsible for the less obvious types of need, where need is short term and where, by its nature, it is more difficult to administer."

Under the Social Assistance Act, the municipalities continued to have a generic responsibility for all assistance. Municipalities were in the position where any case of need could be relieved by the municipal level of government. The Province, by way of contrast, took responsibility for those situations specifically defined in the Act.

Recent Developments

There was a major shift in federal cost-sharing in 1977 when the cost of maintaining persons in Homes for Special Care was substantially altered by the introduction of the Established Programs Financing Act by the Federal Government. This financing arrangement essentially replaced the provisions of the Canada Assistance Plan as the vehicle for cost-sharing maintenance costs of persons in Homes for Special Care. Under the terms of the Established Program Financing Act and its agreement, the Province now receives a grant based on a per capita rate which is escalated by an economic indicator each year. Unlike the arrangements in the Canada Assistance Plan, there is no relationship between actual program costs and monies received under this block funding agreement. In addition to the grant, the Province continues to receive some cost-sharing through the Canada Assistance Plan for persons in Homes for Special Care who have little or no income. The maximum shareable amount is the equivalent of the maximum Old Age Security (OAS) and Guaranteed Income Supplement (GIS) payments.

In 1977, authority for the provision of provincial social assistance was removed form the Social Assistance Act and placed in the Family Benefits Act. Provincial social assistance became known as Family Benefits at that time.

In the 1980's the cost of all human services, that is, health, post-secondary education, social assistance and social services programs, began to accelerate at rates higher than the rate of inflation. It was during this period that greater numbers of persons were applying

for municipal social assistance because they had exhausted their unemployment insurance benefits and this phenomenon increased social service expenditures.

In 1985/86, the provincial Department of Community Services discontinued the practice of making mid-year adjustments to budget allocations. These adjustments had reflected increases in expenditures since the original allocation for the year was established. Under the new arrangement, municipal expenditures for general assistance and administration within the allocation would be cost-shared at the established rates between 75% and 93%. Expenditures beyond the budget allocations would be cost-shared by the Province at 50%. In the case of the costs of maintaining residents in Homes for Special Care, any costs above the maximum allocation became the total responsibility of the municipalities. This had the effect of reducing the overall ratio of provincial cost-sharing to less than the traditional amounts.

By 1987/88, expenditures on general assistance, including administration, totalled $58 million and those on Homes for Special Care were $ 87 million. Provincial cost-sharing of municipal expenditures on behalf of persons in need in Homes for Special Care had dropped from 66 2/3% to a provincial average of approximately 58.5% and for persons receiving general assistance, from just below 77% in 1983-84 to just below 70%. Because of the increasing burden on municipal units, particularly with respect to the care of residents in Homes for Special Care, the Union of Nova Scotia Municipalities made representation to the Province to assume a greater responsibility for the costs of these facilities since they were increasingly providing health related services. This was due in large part to the ever increasing average age (approximately 87 years) of residents and the onset among this group of chronic and disabling conditions associated with aging.

In the 1988 session of the Legislature, legislation was passed to provide for cost-sharing for the maintenance of needy persons in Homes for Special Care, effective April 1, 1989, at a rate not less than 66 2/3% and to exempt a person's primary residence from being treated as an asset for the purpose of determining eligibility for assistance.

In respect to general assistance there was increasing concern about the level of rates. The practice of a number of municipal units of setting arbitrary limits for payments irrespective of need, was also a concern. As a preliminary response to the concerns, the Minister of Community Services made it mandatory, effective April 1, 1988, that municipalities eliminate maximum arbitrary limits to ensure that recipients of municipal assistance receive assistance according to the schedules described in municipal policies.

Following the above initiatives, the Minister of Community Services announced this Task Force, composed of representatives from his Department, the Department of Municipal Affairs, the Union of Nova Scotia Municipalities, and other concerned groups, whose mandate would be to carry out an indepth review and make recommendations with respect to municipal social assistance programs.

CHAPTER 1
GENERAL ASSISTANCE

GENERAL ASSISTANCE

Many different terms are commonly used to refer to the social assistance programs provided by municipal units. In this report, the term 'municipal social assistance' is used to describe all assistance provided by municipal units, including financial support for persons in Homes for Special Care. The term 'general assistance' is used to describe all municipal assistance except that provided to persons in Homes for Special Care. Social assistance is used as a generic term encompassing both Family Benefits and general assistance.

While the provision of general assistance by municipal units was established to provide short-term financial assistance to persons in need, the program has evolved so that it now provides a number of different forms of assistance and services. Today the general assistance program provides the following types of assistance:

1. Short-Term Assistance - Financial assistance provided to persons "in need" for a short-term (e.g. a person disabled less than a year). Normally this person would not qualify for Family Benefits, that is, provincial social assistance.

2. Intermittent Assistance - Payments to persons who on a frequent, but not necessarily a regular, basis require financial assistance.

3. Supplementation - These payments could be further categorized into:
   a) Payments to Family Benefits recipients or other individuals who may receive an income maintenance payment from some other program (e.g., OAS/GIS, Unemployment Insurance) but who on a regular basis require assistance for items of Special Need which are unavailable under other income maintenance programs.
   b) Payments to persons who are employed but on a marginal and/or a seasonal basis.

4. Long-Term Assistance - Payments on a long-term basis to individuals who have been classified as "able-bodied unemployed" but whose ability to enter/re-enter the labour market would only be considered minimal.

5. In-Home Support - Financial payments to persons "in need" by virtue of including the cost of a homemaker in their budget. Without this homemaker service the person would normally have to enter a Home for Special Care.
6. Homemaker Service - Purchase of a welfare service (as defined under the Canada

Assistance Plan) such as homemaker service on behalf of an assistance client.

7. Community Residence - Financial assistance for mentally handicapped adults living in unlicensed homes as an alternative to institutional care.

ELIGIBILITY

The provision of general assistance to persons in need is based on eligibility criteria which are determined by municipal policy. These criteria are central to the system and must fall within the guidelines of the Canada Assistance Plan (CAP). Under CAP, eligibility is to be based on the existence of financial need, not the cause of the need. A person "in need" is defined as:

> "a person who, by reason of inability to obtain employment, loss of the principal family provider, illness, disability, age or other cause of any kind acceptable to the provincial authority, is found to be unable (on the basis of a test established by the provincial authority that takes into account that person's budgetary requirements and the income and resources available to him to meet such requirements) to provide adequately for himself and his dependents or any of them."

The definition reflects the underlying belief in the integrity and dignity of the individual, the dependence of family and community on one another and the value of financial assistance as a preventative and rehabilitative measure for persons in need. These beliefs do not deny that individuals have responsibility for themselves but confirm that the community also has responsibilities to its members.

In reviewing policies, the Task Force noted that certain municipal units had the same eligibility criteria with respect to the determination of disability as Family Benefits. This is not consistent with the overall principle that Family Benefits is a long-term program while general assistance is to provide for short-term needs, and consequentially short-term disability. Also, a number of municipal units exclude applicants by virtue of the fact that their income comes from certain sources (e.g., UI). These policies have the effect of excluding some persons in need from the program and are not in keeping with the basic tenets of the Canada Assistance Plan and the Social Assistance Act. Because of this, the Task Force recommends that:

1.1 The primary criterion for determining eligibility for General Assistance be the needs test, which takes into consideration both a person's (family's) needs and resources. No individual or family should be denied assistance on a categorical basis or without completing the application form which is used to determine need.

The Needs Test

The three major components of a needs test are:

1. Income (including assets)
2. Allowances for basic needs
3. Items of special need

Eligibility for assistance is determined by calculating the need by adding the allowances for basic need and the costs for special needs, then subtracting income and/or any liquid assets. The difference is referred to as the budget deficit and is the amount of assistance to be paid.

The needs test must be used to determine eligibility for all forms of social assistance, including eligibility for In-Home Supports. It is often difficult for municipalities to effectively provide an In-Home Support program which has the effect of avoiding placement in a Home for Special Care because the budgetary allowances for basic requirements must be the same as those used for all General Assistance clients and generally the senior's income is greater than the allowances.

Under CAP it is possible, in the case of senior citizens, to add a flat rate allowance of $150/month to the allowances for basic and special needs in order to recognize the additional needs of this age group. The allowance must be used for all senior citizens regardless of the type of assistance for which they are applying and cannot be restricted to a specific program, e.g. In-Home Supports. Because most senior citizens have incomes that exceed the maximum amounts used in determining eligibility for general assistance, use of the allowance is not likely to significantly increase general assistance costs. However, it would allow municipalities to offer in-home supports to more senior citizens. The Task Force recommends that:

1.2 Municipal units be encouraged to provide for the inclusion in the budget of a flat rate allowance of $150 per month when determining eligibility for senior citizens.

ITEMS OF BASIC NEED

For the purposes of this report, items of basic need have been defined to include food, shelter (including taxes, fuel, utilities and household supplies), clothing and miscellaneous personal essentials. Those special need items of an emergency nature which may be construed as "basic" to a continued healthy and dignified lifestyle have not been included here but will be discussed in the section dealing with Special Needs.

The Task Force reviewed municipal assistance rates and determined that there is a wide variation in the allowances for items of basic need. Although costs for food, clothing and miscellaneous personal essentials may vary from one community to another, the Task Force felt that the variations in rates could not be explained by variations in costs. Widely varying rates result in unequal access to benefits. Persons in similar situations are not guaranteed similar treatment. For example, a family in one community may be eligible for assistance while a family in identical circumstances in another community may not.

In addition, a number of municipal units do not include all items in the budget when determining need and the method of identifying the items of need varies. For example, some municipal units have separate allowances for each item of basic need while others use single allowances combining several items. Some allowances vary by age group and family size while others are the same for each family member. This makes it difficult to compare allowances to assess their adequacy and provides insufficient information for recipients to budget effectively. Furthermore, the exclusion of some items of basic need is in contravention of CAP guidelines and endangers federal cost-sharing.

The Task Force believes that the municipalities must move to a uniform system of allowances for recipients. While such a move does not explicitly affect the Family Benefits Program, in reality changes in municipal rates and procedures would necessitate concomitant adjustments in Family Benefits. In order to underline its commitment to uniformity, the Task Force recommends that:

1.3 a) **In order to promote fairness, equal access and the calculation of rationally derived assistance rates, all social assistance programs move to the adoption of one series of minimum standard rates and guidelines which identify allowances for food, clothing and miscellaneous personal expenses separately and,**

b) **When determining eligibility for General Assistance, municipal units include all items of basic need (food, clothing, rent or mortgage payments, fuel, utilities and household supplies) in the budget.**

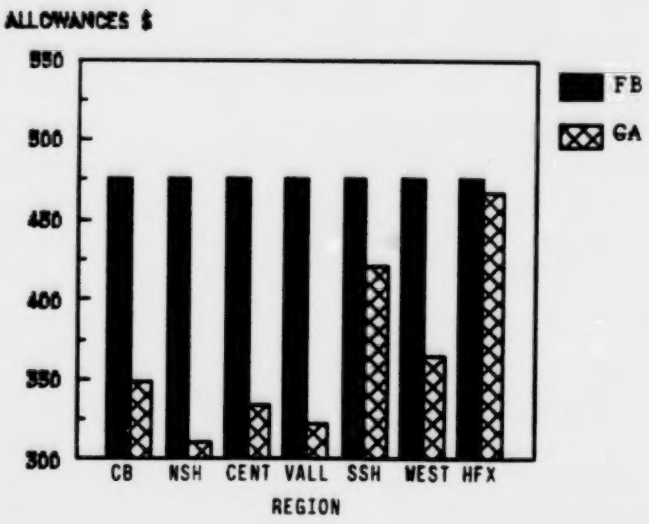
Food Allowances

Within several days of the establishment of the Task Force, considerable attention was focused on the food allowance policies of municipalities by the publication of a report by the Nutrition Council of Nova Scotia entitled "How Do the Poor Afford to Eat?" The central hypothesis of this document was that food rates throughout Nova Scotia were inadequate to meet the nutritional needs of assistance recipients. The six recommendations of the nutritionists' report centered on the development of standard food rates, improved nutrition counselling and the provision of supplementary nutrition services to pregnant and lactating women. During its meetings, Working Group II studied the Nutrition Council Report in conjunction with several other key documents including the cross-Canada nutrition food basket costs prepared by Agriculture Canada and the recent report on food banks entitled "Beyond Food Banks"

It is impossible to compare food allowances across the province because many municipal units and the Family Benefits program have a single allowance to cover food, clothing and personal essentials. A comparison of these combined allowances (Figure I) indicates that there are enormous discrepancies across the regions for a typical family of two adults and two children.

FIGURE 1
AVERAGE ALLOWANCES FOR FOOD, CLOTHING AND MISCELLANEOUS ITEMS BY REGION

2 ADULTS AND 2 CHILDREN



The Task Force examined the feasibility of setting regionally-adjusted food rates, as recommended by the Nutrition Council, but was unable to devise a methodology which would reliably generate the historical and ongoing data required for such calculations. While members of the Task Force acknowledge that there may be some differences in cost among the regions, they recommend that:

1.4 a) Food allowances be based on both the actual twelve month costs of the Agriculture Canada food basket for the City of Halifax and the projected increase in costs for the next twelve month period as determined by Agriculture Canada and,

b) Food allowances be paid regardless of sex of family members and regardless of family size on the following scale based upon age:

children	**0-6**
children	**7 - 12**
adolescents	**13 - 18**
adults	**19 and over**

A sample set of provincial rates based on the historical data and 12 month projection would be as follows:

0 - 6	$73 per month
7 - 12	$96 per month
13 - 18	$120 per month
19+	$107 per month

The Task Force also examined the City of Halifax supplementary juice and milk ticket program for pregnant and lactating women, with a view to expanding it across the province. The data on the Halifax program indicate that this service promotes better maternal and child health which is evidenced by higher birth weights of babies in the program, etc. The Task Force recommends that:

1.5 Municipal general assistance programs adopt a supplementary juice and milk program for pregnant and lactating women similar to the services offered by the City of Halifax.

An important concern raised by the nutritionists and endorsed by the Task Force was the urgent need for improved budget and nutrition education. While it is facile to say that higher food rates will not result in better all-round nutrition, it is important to remember

that effective counselling can do much to improve the overall health of families, to lower stress and to promote prevention of illness. Accordingly, the Task Force recommends that:

1.6 **The provincial government explore and promote all approaches to the provision of a comprehensive and coordinated nutrition education program for assistance recipients.**

Allowances for Clothing and Personal Expenses

Although there was considerable discussion on how uniform allowances for clothing and miscellaneous personal items should be implemented, members of the Task Force were in agreement that both items should be included in the category of basic needs, despite the current practices of some jurisdictions which run counter to the provisions of the Canada Assistance Plan. Additionally, the wide variations in the existing policies of those municipal units which cover clothing and personal necessities in their basic needs budgets makes it imperative that every attempt be made to derive a rationally calculated base figure to reflect accurate costs in these areas.

Although organizations such as the Metro Toronto Social Planning Council have developed guidelines for such allowances, no generally accepted mechanism is currently available for determining adequate minimum allowances for clothing and personal essentials. The Task Force does not expect it to take long to develop a mechanism but was unable to do so within the time available for its deliberations. The Task Force recommends that:

1.7 (a) **The Department of Community Services develop a mechanism for determining reasonable costs for clothing and that clothing allowances be based on the amounts determined by this mechanism.**

(b) **The Department of Community Services develop a mechanism for determining reasonable costs for miscellaneous personal expenses and that allowances for these expenses be based on the amounts determined by this mechanism.**

Because concern was expressed that there should be a means of taking into consideration the high costs associated with seasonal or work-related clothing, the Task Force recommends that:

1.8 Notwithstanding the provision of a regular clothing allowance, municipalities give consideration to funding certain essential clothing items under the special needs category.

The Task Force recognizes that this double-pronged approach makes clothing both an ongoing and a special need, however, the necessity of providing clothing in emergency or unforeseen circumstances makes this policy essential.

Interim Measures

Because of the large increases in costs that would result from increased food, clothing and personal allowances, the Task Force is recommending that:

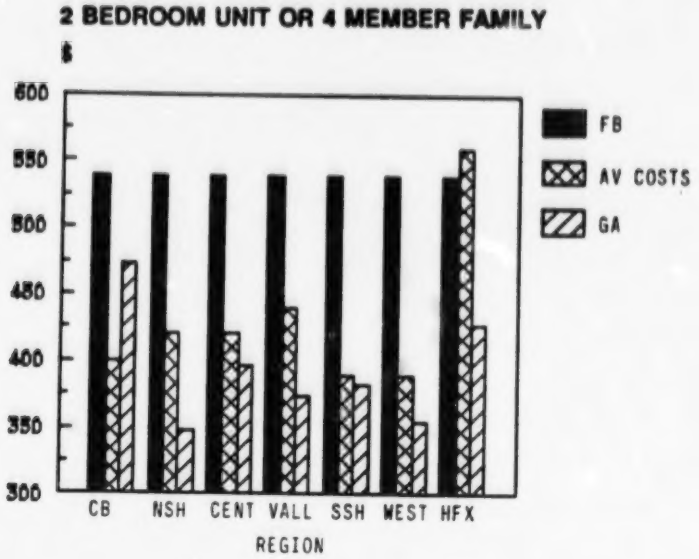
1.9 As a first step, all combined food, clothing and miscellaneous municipal rates be raised as soon as possible to a level not less than the existing rates of Family Benefits.

Shelter

It proved difficult for Working Group II to draw an accurate picture of shelter costs for assistance recipients across the Province. The material on average rents in selected centres from a recent survey completed by the Department of Housing was a useful indicator of costs, but did not specifically address the material average costs of assistance recipients. As well, the survey is not available on a regular basis so cannot be used as a base for setting shelter rates. Canada Mortgage and Housing Corporation (CMHC) completes a survey of selected communities semi-annually but not all regions are represented in this survey.

Although information provided by the Family Benefits Program indicates that this program is regularly meeting the shelter needs of approximately 90% of Family Benefits recipients, data on shelter costs for recipients of general assistance is not available from the current computer system. Nevertheless, it is apparent that there is a shortfall in municipal shelter allowances when average regional figures for maximum shelter costs are superimposed on the Department of Housing's market rental statistics (Figure Two).

FIGURE II
AVERAGE MAXIMUM SHELTER ALLOWANCES AND COSTS BY REGION



Working Group II tried several approaches to developing a methodology to be used to establish regional shelter rates:

1) Family Benefits data were used to see what percentage of caseload could find accommodation within Family Benefits guidelines.

2) The City of Halifax provided information from its study of rental costs in Halifax.

3) Regional offices of the Department of Community Services were contacted to determine:
   (a) percentage of renters on caseload,
   (b) availability of rental stock,
   (c) suitability of rental stock, and
   (d) concurrence of municipal shelter rates to market costs.

4) The suggestions contained in the public submissions to the Task Force were reviewed.

5) A spot check of rental prices across the regions was undertaken.

The Working Group concluded that any examination of shelter rates is at best an uncertain exercise. As well, even if statistical data on rental payments were available, the issues of housing quality and accessibility would not be addressed. Units may be seriously sub-standard in some areas and in others, existing affordable quality housing may not be available to families on assistance because of policies excluding children, etc. For this reason the Task Force recommends that:

1.10 a) In order to ensure that Government has access to realistic data on shelter costs, a joint committee of Community Services and Department of Housing staff be constituted to develop and monitor an ongoing mechanism for the collection of information on accommodation costs on which maximum shelter allowances would be based.

b) As its first priority, the joint committee on housing arrange a regional questionnaire and/or canvass to obtain a "snapshot" of housing conditions for assistance recipients across the Province to determine what types of housing, what levels of actual cost for shelter, fuel, etc., are available in Nova Scotia in an identified time frame.

As an interim step, it is recommended that:

1.11 Maximum municipal assistance rates for shelter be increased annually at a rate of $50 per month until the rate meets the average rent costs calculated by region by Canada Mortgage and Housing Corporation (CMHC).

Although not all regions are represented in the CMHC survey, as an interim measure, it could be adapted for province-wide use.

ITEMS OF SPECIAL NEED

Items of Special Need are goods/services in addition to the regularly recurring basic requirements which may be provided under a social assistance program. Examples of items of special need are expenses incidental to an education program, purchase of household goods or supplies, or repairs to a property of a person "in need." Through a survey of municipal special needs policies, Working Group II determined that there exists a wide variation in the items provided as special needs and the conditions under which these items are available.

The Task Force believes that eligibility for special needs for both provincial and municipal recipients should be as consistent as possible throughout the Province and this can only be achieved by developing a standard policy on special needs including a detailed description of the needs to be covered, the circumstances under which assistance will be granted and the extent of the services to be provided. In some cases the cost of the services could be predetermined by prior agreement, for example, dental services could be covered by agreement with the Dental Society similar to the provision of Dental Services to children under 16 years of age.

While it is not possible to list all potential special needs, it is possible to identify and describe the great majority of possible requests. For each type of need identified, a detailed description of eligibility criteria and what will be provided should be developed. Because some special needs may be a greater priority than others, the criteria for eligibility becomes an important factor related to individual situations. This task could be carried out over a period of several months and should have input from Provincial and Municipal personnel.

In order to simply access items of special need and to ensure that adequate human and financial resources are allocated to the continued operation of the program, the Task Force recommends that:

1.12 A uniform policy on special needs which would apply to all Family Benefits and Municipal Assistance recipients and publicly supported residents in Homes for Special Care be drafted in consultation with municipal units. This policy should contain a detailed description of the special needs services available, of eligibility criteria and of the extent to which services will be covered.

From the recipient's perspective, the process for application for special needs items must seem confusing. The variety of items which may or may not be covered under municipal policies is exhaustive and contains some items (such as in-home supports and homemakers services) which may bear little relation to the needs of most recipient families. Some items on the list may be considered to be more basic to family living than others with still other categories relating to specific "emergency" or "crisis" needs, such as dental extraction, major home repair, etc. To lessen the confusion, the Task Force recommends that:

1.13 Major community living support programs such as homemaker, community residence and in-home support, be separated from special need expenditures.

Additionally, since the municipalities administer the special needs program for all recipients, those individuals who are in receipt of Family Benefits must apply through the municipal unit and undergo a needs test to determine eligibility. Since Family Benefits budgets tend to be higher than municipal budgets, many Family Benefits recipients do not qualify for special needs support or only qualify for a small portion of the special needs costs.

Ideally special needs of Family Benefits recipients should be provided by the Family Benefits program. However, it is unlikely that special needs could be administered satisfactorily in this manner without a considerable increase in administrative resources. To facilitate the provision of special needs by municipalities to Family Benefits recipients, anyone in receipt of Family Benefits could be deemed to be a person in need on the basis of the Family Benefits needs test and eligibility for a special needs item could then be determined based on the policy relating to the special need item. The Task Force recognizes that the use of municipal resources to provide special needs to Family Benefits recipients will become a greater problem as more Family Benefits recipients become eligible for these. In view of this and the fact that there will be a uniform policy for special needs, the Task Force recommends that:

1.14 (a) Regulatory provision be made to facilitate the granting of special needs by municipalities to Family Benefits recipients using the Family Benefits budget as a base for determining need.

(b) Items of special need provided to Family Benefits recipients be reimbursed at 100%.

With respect to drug costs for Family Benefits recipients, the most efficient method of providing these special needs to Family Benefits recipients would be through a pharmacare plan similar to the one now available to disabled recipients. Therefore, the Task Force recommends that:

1.15 A pharmacare plan, similar to that available to disabled Family Benefits recipients be made available to all Family Benefits recipients and their dependents. (1)

Under current provincial policy, municipal units cannot approve special needs in excess of $500 without prior approval of the Director of Municipal Social Services, while under the CAP guidelines the limit is $1500. To reduce the administration involved with the granting of special needs, the Task Force recommends that:

1.16 The limit to which a municipality can provide special needs without approval of the Director of Municipal Social Services be increased from $500 to $1,500.

LINKS TO EMPLOYMENT

While recommendations related to employment incentives were not specifically included in the terms of reference for the Task Force, members believed that it was necessary to address this issue, as the ultimate goal is to assist recipients to move into employment, thereby achieving independence. The area of employment incentives is complex and it is difficult to make recommendations without detailed analysis. Although the Task Force was unable to undertake such an analysis, it felt that a number of recommendations could be made with a view to providing a framework for future initiatives.

Historically, Nova Scotia has taken a strong role in developing employment incentives. The Family Benefits exemption of $200 plus 25% of all income exceeding $200, for recipients with at least one dependent, is one of the most generous policies in Canada. Municipal policies, however, vary considerably and in some municipal units there are no financial incentives for recipients moving into training programs or employment. All earned income is applied against expenses in determining the budget deficit.

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1 Based on material provided by the MSI Program the estimated cost of this recommendation would be $6.5 million annually.

The percentage of able-bodied unemployed receiving municipal social assistance has grown from 24.6% of the caseload in 1980 to between 34.2 - 35.5% of the caseload in 1984, depending on seasonal employment factors. Since then, the proportion has stabilized. Recipients who are able-bodied unemployed fall into two major segments.

- persons who are job-ready or near job-ready
- persons who would not qualify as disabled under the eligibility criteria of the Family Benefits program but whose ability to enter the labour market can only be considered minimal.

A large number of municipal units require persons who are considered job-ready to submit evidence that they are actively pursuing employment opportunities. This requirement, tempered by the employment opportunities in the region, should only be imposed upon recipients who are truly "job-ready" and illustrates the need to distinguish between persons whose employment readiness is only marginal and those who are truly job-ready. In addition to the need to distinguish between these groups an examination why certain recipients are not job-ready and what can be done to address their needs should be undertaken. The Task Force recommends that:

1.17 The requirement of persons to provide evidence that they are actively pursuing employment opportunities be tempered by the actual employment opportunities in the region and only be imposed upon recipients who are truly "job-ready".

The Task Force also believes that there should be financial incentives for recipients moving into training and employment and that a uniform policy for these should be developed. It therefore, recommends that:

1.18 For persons who are receiving General Assistance, municipal units provide an earned income or rehabilitative incentive which would result in not less than 20% of the earned income or rehabilitation allowance, net of mandatory deductions, being exempted in determining the budget deficit.

It should be noted that the recommended exemption is to be based on net, rather than gross income. This is to ensure that recipients will be better off financially. A problem with an incentive based on gross income is that in some cases, work related expenses are so high that

the discretionary income which is left after expenses is less than the amount of income from social assistance alone.

If incentives are to work effectively, they must not be just a supplement to income from benefits, but must be carefully targeted to those recipients who can benefit most from training and career counselling. In situations where recipients are moving into employment, some additional incentives may be required, e.g., higher exemptions during the first months of employment. The Task Force recommends that:

1.19 In addition to the exemption of 20% on earned income and rehabilitation allowances, municipal units adopt special incentives which are more intensively targeted to those recipients with employment potential as compared with those recipients who are likely to require continuing assistance.

It should be stressed however, that while these more intensive incentives should be targeted to those individuals who will best be able to take advantage of the program, those recipients who are not able to make best use of the targeted incentives should still be able to take advantage of other incentives without threat of termination or reduction of benefits.

Another area of concern to the Task Force was the barrier to full employment which the current Family Benefits system presents to recipients returning to the work force. As the system now stands, clients must either incur an overpayment for their first month at work or manage to survive without income for several weeks at the outset of employment. Clearly this practice places a considerable financial burden on any recipient who wishes to return to work and can also cause undue stress. The Task Force therefore advocates that for Family Benefits recipients returning to the work force or to an accredited training program, the first months's salary should be exempted from consideration and recommends that:

1.20 Consideration be given to exempting the first month's or portion of the first month's income from training and employment of Family Benefits recipients in order to avoid the current situation in which a recipient who obtains employment either incurs an overpayment or must wait until two or three weeks into the month to obtain income.

Finally, Members of the Task Force believe it is essential that assistance recipients receive on-going employment assessments and career counselling sessions which will promote independence. While it is recognized that such an ambitious system will require staff resources in excess of the current numbers, members of the Task Force believe that this initial investment will pay enormous dividends as recipients are helped to find the appropriate training and education they need to make their way into the work place.

OTHER

Settlement Act

The Settlement Act, SNS 1970, outlines the way in which the settlement of persons residing in Nova Scotia is determined. It is used to identify which municipal unit is responsible for the costs of providing financial assistance to persons in need through a variety of programs, e.g. general assistance, Homes for Special Care, maintenance of foster children. Once settlement is determined, the municipal unit of residence bills the municipal unit of settlement for the assistance provided. Approximately $2.4 million of the $48.1 million annual expenditure on general assistance is billed to municipal units of settlement. In the case of individual municipal units, some, or all, of the amount paid may be recovered from the billings to other municipal units, so that the net gain or loss may be small.

Determining settlement is frequently difficult and costly. Disputes between municipal units may arise and further costs are incurred in resolving these. In the end, municipal units may be left with accounts receivable which cannot be collected because settlement cannot be verified and yet cannot be written off.

The Task Force felt that the only solution to the problem was to eliminate the requirement to determine settlement with respect to general assistance, exclusive of In-Home Supports and Community Residence Programs. If the recommendation to introduce a single cost-sharing rate for all municipal units is accepted, a large part of the burden for individual municipal units would be removed. The Task Force recommends that:

1.21(a) The provisions relating to settlement in the Social Assistance Act, Part 2, as it relates to general assistance, exclusive of In-Home Supports and Community Residence Programs, be repealed and replaced with a section that identifies that the municipal unit where the applicant resided the night prior to application be the municipal unit responsible for providing assistance.

(b) The provisions of the Social Assistance Act, Part 2, be amended to eliminate all outstanding municipal receivables for general assistance relating to settlement.

In-Home Support Program

The In-Home Support Program approved in 1984, provides a financial payment for a welfare service and as such is deemed, for cost-sharing purposes, to be an assistance item. In addition to the In-Home Support program of 1984, there are a number of adhoc In-Home Support programs for senior citizens and disabled persons. Each has different policies governing eligibility and assistance to be provided. For this reason, the Task Force recommends that:

1.22 A review be completed by the Department of Community Services of all municipal policies, practices and programs in respect to providing in-home supports for seniors and disabled persons to ensure that they meet cost-sharing requirements.

Statistics

General assistance was originally intended to provide short-term assistance. It has evolved so that today it forms an integral part of social services provided in communities. Much of the expansion of the program in recent years has been in the area of services provided and/or purchased such as the In-Home Support Program and Community Living Alternatives for the mentally handicapped and disabled. These programs are essentially alternatives to institutionalization and are long-term in nature. Based on a survey of seven municipal units representing approximately 50% of the total caseloads, these programs represent approximately 25% of the total caseloads today. However, the central depository of information regarding municipal caseload profiles and costs, the Department of Community Services' Municipal Social Services Management Information System, does not provide statistics which distinguish these programs from the more traditional forms of social assistance. Therefore, the Task Force recommends that:

1.23 A review be conducted to ensure the Department's central depository of information clearly identifies the various programs now provided as General Assistance.

Responsiveness

A major advantage of having municipal units deliver general assistance is accessability and the ability to react quickly in emergency situations. The Task Force believes that it is essential to maintain this capability and recommends that:

1.24 **If for logistical reasons it is not possible to complete a home visit or thorough review within 24 hours of an application, assistance be provided to the applicant to meet immediate or emergency need.**

CHAPTER II
COST-SHARING

COST-SHARING

Background

Under the Social Assistance Act, SNS 1970, municipal units are responsible for the provision of assistance to persons in need who reside within the municipal unit. The Act enables the Province to reimburse the municipal unit for part of the expenditures on assistance and administration, as well as part of the expenditures toward the maintenance of persons in Homes for Special Care. Reimbursement may be at "different amounts or rates ... for different municipal units." The rates are established in regulation and in the case of general assistance and administration are based on the education foundation scale with a floor established at 75%. Municipal units without an organized social service department receive cost-sharing at 66 2/3%. The rates of reimbursement vary from 66 2/3% to 93%. The Province receives federal cost-sharing of 50% of gross expenditures on administration and assistance for eligible items under the Canada Assistance Plan.

The education foundation scale was developed for the purpose of cost-sharing expenditures related to education. The formula took into consideration the ability of municipal units to pay as determined by municipal assessment. Adjustments in cost-sharing proportions were made from time to time to reflect changes in the municipal assessment base (ability to pay).

The foundation scale was last amended in 1976 and the formula, as the basis for education cost-sharing, was eventually replaced by a new funding formula in 1982. However, the Department of Community Services has continued to use the 1976 foundation scale (with a 75% floor) for the cost-sharing of general assistance expenditures. The formula has not been amended to take into account changes that have occurred in the municipal assessment base over the past twelve years. As a result, the original relationship between cost-sharing and municipal ability to pay is no longer reflected in the rates of reimbursement used by the Department.

Further, in 1985-86 the Department of Community Services moved from open-ended cost-sharing of general assistance expenditures to funding capped at a level tied to the municipal unit's prior year's allocation from the Department. Any municipal expenditures above the provincial allocation are cost-shared by the Province at the lower rate of 50%.

The situation has given rise to several concerns. Among them:

- General assistance expenditures are not predictable and cannot be controlled by a municipal unit. It is therefore difficult to estimate these costs for any particular fiscal period.

- Under the present cost-sharing arrangement, municipal expenditures above those estimated for the year are not fully cost-shared by the province and municipalities must rely on cost-sharing of 50% of these additional costs. As a result, many municipal units must bear a greater share of the burden of social assistance expenditures than was previously the case when the province cost-shared fully on all general assistance costs without a predetermined ceiling on such sharing.

- The ceiling on provincial cost-sharing further aggravated an already distorted relationship between levels of reimbursement and municipal ability to pay.

- The average rate of provincial cost-sharing of general assistance expenditures has been reduced from just below 77% in 1983-84 to just below 70% in 1987-88.

- Most municipal units have experienced a reduction in their percentage cost-sharing. In some cases, the drop has been as much as 17 percentage points.

- Where a municipal unit has been particularly hard pressed, the Department of Community Services has made discretionary ad hoc adjustments and provided additional assistance creating further inequities in cost-sharing arrangements among the municipal units.

The absence of any rationale for current cost-sharing levels has, in the overall situation, resulted in uneven and inequitable treatment of the municipal units.

Underlying Principles

The Task Force established four principles to guide selection and development of an appropriate cost-sharing arrangement.

1. **Open-Ended Cost-Sharing**

The Canada Assistance Plan provides for the federal government to reimburse the province

for 50% of all eligible costs related to general assistance and administration. To maintain consistency, the burden of all municipal costs for general assistance and administration should be shared according to an agreed upon formula with each partner obligated to adhere to the formula.

2. **Predictability**

Recognizing that social assistance costs are among the most difficult to predict, both the province and the municipal units, in setting their budgets, should be given a clear and predetermined understanding from the cost-sharing formula of their respective financial obligations for such costs as may actually occur in any fiscal year.

3. **Simplicity**

It is important that any cost-sharing formula be easily understood by all parties.

4. **Consistency**

Any variation in the treatment of municipal units for the purpose of cost-sharing general assistance costs should only be based on relevant and measurable standards or criteria which can be consistently applied to all. In the absence of such standards, every municipal unit should be treated in a like fashion.

Options

The Task Force examined four options for cost-sharing:

1) open-ended provincial cost-sharing based on a formula which reflects need as determined by general assistance costs and ability to pay as represented by uniform assessment. Provincial cost-sharing as a percentage of general assistance costs would vary among municipal units depending upon expenditures and relative ability to pay. This approach is the same as that used to calculate the unconditional operating grants administered by the Department of Municipal Affairs.

2) a grant which would be fixed annually in accordance with a predetermined formula. The municipal unit would be required to provide general assistance but could use any surplus money on any expenditure that would be cost-shareable under CAP. Any municipal expenditure exceeding the block of funds would be the responsibility of the municipal unit net of 50% recovery from the provincial government. The extent to which the grant would reflect actual costs would depend on the capacity of the formula to predict these.

3) a fixed global municipal contribution based on overall municipal expenditures at a specific time. Any costs associated with growth in expenditures over time would be the responsibility of the Province. Expenditures for individual municipal units would vary according to a formula which could reflect expenditure need and ability to pay. This is similar to the approach used to calculate the municipal contribution toward the cost of Corrections.

4) open-ended provincial cost-sharing set at a fixed amount for all municipal units.

The second and third options were rejected because they did not conform to the underlying principles. The second option did not provide for open-ended cost-sharing while the third could only work if the province assumed full responsibility for setting standards and related rates. Otherwise, municipal units would have control over the program without financial responsibility, as municipal costs decreased in relative terms, over time.

The major difference between the first and fourth option is that the first is based on ability to pay while the fourth is not. Working Group I discussed at length the concept of municipal 'ability to pay' and what, if any, relationship existed between municipal fiscal health and cost-sharing of general assistance costs. It was the consensus of the Working Group that municipal ability to pay should be addressed through mechanisms and cost-sharing arrangements aimed at improving or equalizing municipal fiscal health, taking all relevant factors into account, and not through a cost-sharing formula for a single program such as general assistance. The cumulative effect of the continued use of ability to pay as the basis for a series of individual provincial-municipal cost-sharing arrangements may be to adversely affect the fiscal well-being of municipal units that are viable. Moreover, there does not appear to be any relationship between municipal social assistance costs and the municipal assessment base. Municipal units with a weak assessment base may also have low general assistance costs so that there is no need for preferential cost-sharing.

Only the fourth option - open-ended provincial cost-sharing of all eligible municipal expenditures for general assistance and administration at a universal level of 75% for all municipal units with an organized social services department (and 66 2/3% for the others) - meets all of the underlying principles set out by the Working Group. It is open-ended, predictable, simple, and, in the absence of any relevant criteria that would justify variations in general assistance cost-sharing, it treats all municipal units in a like fashion. While strict adherence to the formula would curtail departmental discretionary

cost-sharing solutions to the extraordinary situations, it was the general view of the Working Group that ad hoc adjustments in cost-sharing arrangements lead to overall inequities in the treatment of general assistance expenditures and should be avoided. The level of 75% was chosen as it represents equal sharing of costs, after federal recoveries, by the Province and municipal units. Specifically, the Task Force recommends that:

2.1 The Department of Community Services provide for open-ended cost-sharing of all eligible municipal expenditures for general assistance and administration at a universal level of 75% for municipal units with an organized social services department and 66 2/3% for the others.

Transition Provisions

Based on 1987-88 expenditures, implementation of a system of provincial cost-sharing at a fixed rate of 75% will result in a shift to the province of $3.1 million of expenditures now being paid by municipal units. The reduction in costs will be distributed among municipal units that currently receive cost-sharing of less than 75%. Fourteen municipal units will have increased costs because current cost-sharing exceeds 75%. (See Appendix D)

In order to minimize the hardship on these municipalities, the Task Force recommends that:

2.2 The Department of Community Services initiate a phase-in period with an annual reduction of not more than 5% per year from the effective provincial cost-sharing rates in the year prior to commencement be adopted for those municipal units that will experience reductions in cost-sharing under the proposed formula.

Other

Although not specifically included in the Working Group's Terms of Reference, it is noted that incentives, such as preferential cost-sharing, should be employed by the Department of Community Services to encourage and assist municipal units in the development of training and employment programs aimed at providing recipients with a long term alternative to general assistance.

CHAPTER III
HOMES FOR SPECIAL CARE

HOMES FOR SPECIAL CARE*

Homes for Special Care fall into the following five categories:

Homes for the Aged, operated by municipal units or non-profit organizations, provide personal care and intensive personal care under professional nursing supervision (these care levels are referred to as Type I and Type II respectively) for the physically and/or mentally impaired, and provide for social, psychological, spiritual and medical care for seniors who cannot maintain themselves or be maintained in the community.

Nursing Homes, operated by private individuals or companies, provide personal care and intensive personal care under professional nursing supervision, for the physically and/or mentally handicapped, and make provision for social, psychological, spiritual and medical care for persons who cannot maintain themselves or be maintained in the community.

Residential Care Facilities provide supervision and minimal assistance with the activities of daily living to persons who are ambulatory or semi-ambulatory. These persons, because of frailty or mental disability, cannot maintain themselves in the community.

Group Homes and Developmental Residences are small homes (6 - 10 beds) situated in the community which provide individual programs to mentally handicapped or mentally disabled adults to maximize each person's level of independence, to enable them to live independently in the community or in the least structured setting possible.

Adult Residential Centres provide accommodations and programs for individuals who have previously received treatment as psychiatric casualties; other mentally handicapped adults, many of whom have behaviour disorders; and people with degenerative disorders, including the aged, who have additional behaviour problems making them unsuitable for other placement alternatives. These centres provide the most intensive level of rehabilitation and developmental programming for people with the highest potential to move onto less restrictive alternatives in the community.

* See Appendix - For Historical Background and a Discussion of Trends.

As of June 1, 1988, there are:

	No. of Homes	No. of Beds
Homes for the Aged	38	3,596
Nursing Homes	22	1,874
Residential Care Facilities	63	1,112
Adult Residential Centres	10	785
Regional Rehabilitation Centres	3	378
Group Homes & Developmental Residences	36	290

Client Eligibility

For admission to a Home for Special Care operated by a municipality or to a private home to which payment will be made by a municipal unit, the applicant must have financial need as determined by a needs test and be classified as requiring care by the Department of Community Services. As in the case of social assistance, the needs test takes into consideration income and assets. As well, contributions from relatives may be required.

Classification Criteria

(i) The person is mentally handicapped, mentally disabled or physically disabled to such a degree that he/she is unable to function independently or with community supports at home.

(ii) The person is eighteen (18) years old or over, or a youngster requiring admission to the specialized Children's Unit at Palmeters Country Home Limited or a youngster requiring Type II care.

(iii) The person's primary need is not for the level of medical or psychiatric treatment such as is normally provided in hospitals.

(iv) The person is not dangerous to self and/or to others.

(v) The person does not behave in a manner which is likely to be constantly disruptive to other residents and/or to the care/programming generally provided in that type of facility.

(vi) The person is stabilized on medications.

(vii) The person's primary presenting problem is not active involvement in alcohol or drug abuse of any kind.

(viii) The person has not had his freedom of movement restricted during the thirty days prior to the date of classification or can function in an open setting.

(ix) The person must not have formal status at the time of the completion of the medical report form.

The general classifications criteria are intended to establish whether or not an applicant fits, in a general sense, into any of the categories of care provided by facilities licensed as Homes for Special Care. If so, the applicant must then be approved for a particular type of facility based on the type of care that the facility is licensed to provide.

In keeping with the terms of reference, the Task Force restricted its deliberations relating to Homes for Special Care to the question of eligibility. For a more comprehensive review of Homes for Special Care, the reader should refer to the Report of the Task Group on Homes for Special Care, June 1984.

The major concern relating to eligibility for financial assistance to cover the cost of care in a Home for Special Care is that need is determined in the same manner as need for social assistance, by the application of a needs test. Persons are only eligible once they have reduced their assets to minimal levels and all but a small portion of any income received on a regular basis, e.g., pension income, must be applied to the cost of care. Few Nova Scotians have sufficient regular income to cover the average cost of care of $23,000 per year so must use their savings to cover these costs. This means depleting their life's savings before becoming eligible for financial assistance. In order to prevent this from happening, the Task Force recommends that:

3.1 The cost of services in Homes for the Aged and Nursing Homes be universally insured with the resident responsible for a co-payment equal to the OAS/GIS income level less a personal use allowance of at least $83 per month.

The introduction of alternative approaches to the care of the elderly, e.g., Home Care, should reduce the need for persons with minor health impediments to enter Homes for Special Care. In view of this, the Task Force recommends that:

3.2 Upon the introduction of an insured service, admissions to Homes for the Aged and Nursing Homes be limited to persons classified as requiring Type II care.

Because of the aging of the population in Homes for Special Care, many residents are requiring more care than these facilities are licensed to provide. However, there is not a well defined policy for transferring these residents to facilities which can provide the additional care. In view of this, the Task Force recommends that:

3.3 The Departments of Community Services and Health and Fitness should define clearly a policy respecting those residents assessed as requiring Type III (more extensive) care, clearly indicating the types of procedures to be carried out in facilities licensed for Type II care and the types of procedures to be carried out in extended care beds in Hospitals for Type III care.

A review of municipal social services policies on the retention of liquid assets reveals much inconsistency among municipalities with respect to the amount that may be retained by persons requiring public support. The more common limits established are $1,000 for single persons and $1,500 for married persons. The Task Force recommends that:

3.4 The levels of assets exempted under the terms of the Canada Assistance Plan, i.e., $3,000 single and $5,500 married, be adopted by the Province as the standard exemptions to be used by all municipalities for the admission of residents to Homes for Special Care.

Currently, family members, i.e., the husband, wife, father, mother, child and children of each person who seeks assistance from or for whom assistance is given toward the costs of residing in a Home for Special Care, are jointly and severally liable for the assistance of the person. In 1985, the Department of Community Services made provisions whereby municipalities would not have to cost-share these contributions with the Province. Considering the recent amendments to the Social Assistance Act Part II whereby, effective April 1, 1989, the Province will fully cost-share in all expenditures made by municipalities on behalf of persons in Homes for Special Care. The Task Force recommends that:

3.5 Effective April 1, 1989, municipal recoveries from family contributions be shared proportionally to cost-sharing with the Province.

CHAPTER IV
FINANCIAL IMPACT

FINANCIAL IMPACT

In proposing the recommendations detailed on the preceding pages, members of the Task Force have been aware of the significant financial impact of a number of the recommendations. This concern has prompted members to recommend both the adoption of interim or phased-in changes wherever possible and to refrain from making substantive recommendations for areas where accurate cost data is unavailable - most notably in the area of shelter costs. It should be noted however, that an absence of substantive recommendations does not mean that there is no need for change, rather the suggestions for longer-range planning contained in some recommendations confirm the need for change and should be considered as seriously as more specific recommendations.

General Assistance and Family Benefits

The Task Force has estimated costs for only those recommendations that are likely to have a significant impact on municipal and provincial expenditures or where costs can be easily estimated. No estimates were completed for recommendations that would result in minimal increases in costs or where there were insufficient data available to complete a reasonable estimate. The recommended increases in maximum shelter allowances fall into this latter category.

All estimates should be considered as indicators only and not the definitive cost of implementing the recommendations. None of the estimates include any costs that will result from the increase caseloads that will follow from increases in rates and changes in eligibility criteria. Where the recommendations result in a system of determining benefits which is different from the one currently used, it is impossible to estimate the exact amount of the increase for individual items. For example, many municipal units combine food, clothing and miscellaneous essentials into a single rate. Estimating the cost of a separate food rate involves making assumptions about the portion of the current rate that applies to food. For this reason, the following costs must be viewed as estimates only and are only provided to give the reader a general indication of the costs of implementing the recommendations.

TABLE I

COST OF IMPLEMENTING RECOMMENDATIONS

($ 000,000)

SHORT TERM

Recommendation		Family Benefits	General Assistance	Total*
1.9	Raise rates to October 1988 Family Benefit levels	4.6	$8.7	$13.3
1.5	Establishment of supplementary program for pregnant women			.3
1.15	Expansion of Pharmacare eligibility for Family Benefits dependents	6.5		6.5
1.20	Exemption of first month's income for Family Benefits recipients recipients returning to full-time work	.1		.1
Total new dollars needed:		**$11.2**	**$8.7**	**$20.2**

LONG TERM

1.4 Improvement in Family Benefits and General Assistance food rates to reflect new program norms	$3.7	$2.2	$5.9
Overall Total	**$14.9**	**$10.9**	**$26.1**

* It should be noted that all calculations represent gross costs and do not reflect the impact of either CAP shareability or provincial/ municipal cost-sharing arrangements.

Cost-Sharing

Based on 1987-88 expenditures, implementation of a system of provincial cost-sharing at a fixed rate of 75% will result in a shift to the province of $3.1 million of expenditures now being paid by municipal units. The reduction in costs will be distributed among municipal units that currently receive cost-sharing of less than 75%. Fourteen municipal units will have increased costs because current cost-sharing exceeds 75% (see Appendix D).

Implementation of the transition provisions to reduce the cost-sharing rate by 5% per year for municipal units above 75% will increase costs to the Province by $165,068 in the first year, $58,141 in the second year and $6,099 in the third year of implementation. Cost-sharing for all but eight of the 14 municipal units would be reduced to 75% immediately while the remaining six would be at 75% within three years. (See Appendix E).

Total Impact of Changes to General Assistance

The combined impact on general assistance expenditures of the recommendations for increased allowances and implementation of a single cost-sharing rate have not been calculated for each municipal unit. However, the following table outlines the overall impact if, as a first step, cost-sharing is established at a uniform rate of 75%, then rates are increased to the Family Benefits level and as a final step, food rates are increased to the levels indicated by the Agriculture Canada food basket.

TABLE II
IMPACT ON GENERAL ASSISTANCE
FOR EACH LEVEL OF GOVERNMENT

($ 000,000)

	Gross Expenditure	Federal	Provincial	Municipal
1987/88 Expenditure	$58.1	$29.1	$11.4	$17.6
75% Cost-sharing	58.1	29.1	14.5	14.5
Increase to Family Benefits Levels	66.8	33.4	16.7	16.7
Increase to Agriculture Canada Levels	69.0	34.5	17.25	17.25

With open-ended cost-sharing at 75%, the overall municipal portion will decline slightly from $17.6 million to $17.25 million. However, there will be a redistribution of expenditures among municipal units. Those municipal units with the lowest allowances and/or current cost-sharing in excess of 75% will have the highest increase in costs. Those municipalities with the highest rates and cost-sharing below 75% will have reduced costs.

Homes for Special Care

For fiscal year 1987/88, the cost of providing care in Homes for Aged and Nursing Homes was $116.7 million. Of this, $63 million was paid by residents, $29.9 by the provincial government and $23.8 by municipal units. The recommendation that costs of services in Homes for Aged and Nursing Homes be universally insured will result in additional costs to the province of approximately $44.2 million (1987/88). (Approximately $42.6 million would continue to be paid by residents from OAS/GIS income). If the current Municipal funding of $23.8 million is taken into consideration, the overall net provincial cost would be $20.4 million.

CHAPTER V
FUTURE DIRECTIONS

FUTURE DIRECTIONS

While the Task Force has attempted to fulfil its original eight-point mandate by making recommendations for change in the areas of settlement, cost-sharing, rate structures and eligibility, it has become apparent to Task Force members that the income assistance systems in Nova Scotia stand in great need of a more thorough and wide-ranging revision than can be provided by a goal-oriented exercise such as the present study.

It is the opinion of Task Force members that a major review of income assistance can only occur in a meaningful way if all issues relating to the provision of assistance can be opened up for discussion. This process would include addressing issues, such as one-tier service delivery and the roles of each level of government, which fall outside the mandate of this Task Force but which are fundamental to an understanding of how income assistance in Nova Scotia functions. Central to this examination would be a thorough review of housing options available to those on low income.

This process would also examine issues relating to the provision of services and employment incentives to those on existing caseloads who might have reasonable expectation of achieving full employment. While some issues relating to linkages between income assistance programs and employment were noted briefly by the current Task Force, a thorough investigation of services and options for the able-bodied unemployed is basic to any comprehensive review of the income assistance system in Nova Scotia. For this reason the Task Force recommends that:

5.1 A full review be initiated which will examine not only the service delivery mechanisms for the provision of income assistance within the province but also the options available to those who have increasingly found themselves recipients of long-term income support. Such a review should examine the roles of the provincial and municipal levels of government in the provision of service and assistance and should further examine the feasibility of categorical programming.

In order to implement such a wide-ranging exercise, considerable thought would have to be given to the composition of the review team, the value of a public hearing process and the necessity to second senior staff to fulltime work on the project. While it is obvious that such a review would be considerably more costly both in human and financial items than the current Task Force, the high costs of social assistance across existing Provincial and Municipal Programs make it imperative that Nova Scotians obtain a fuller picture of options for assistance delivery than can be derived from a task-orientated process like the Task Force on cost-sharing.

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APPENDIX A

Members of the Task Force and Working Group

MEMBERS OF THE TASK FORCE

Chairperson: James MacIsaac
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Association of Municipal Administrators

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Advisory Council on Status of Women

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Edward Mason
County of Halifax

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Union of Nova Scotia Municipalities

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Food Banks

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Fran Sutherland
Department of Community Services

Pat Thompson
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Municipal/Provincial Fact Finding Committee

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Municipal Social Services Association

Sheldon Langille
Associated Homes for Special Care

Harvey MacArthur
Department of Community Services

Jim MacCormack/Patricia Drohan
City of Sydney

James A. MacIsaac
Department of Community Services

Edward Mason
County of Halifax

Shulamith Medjuck
Department of Community Services

Robert Radchuck
Union of Nova Scotia Municipalities

Warden Joe Wadden
Municipality of the County
of Cape Breton

APPENDIX B

Municipal Units, Organizations and Individuals Making Submissions

MUNICIPALITIES

Sanford, Robert
Municipality of Annapolis County

Roma, Michael
Municipality of Colchester County

Currie, Rosemarie
Municipality of Cumberland County

Astle, Joan E.
Municipality of the District of Guysborough

Buchan, G. W. (Warden)
Municipality of Kings County

Dunnewold, Hank
Municipality of Pictou County

Smith, Stan (Warden)
Municipality of Queens County

Merritt, Alan
Municipality of the District of Shelburne

Hamilton, C. (Warden)
Municipality of Victoria County

MacLellan, Stan
Town of Antigonish

Freeman, Margaret-Jane (Ogden)
Town of Bridgetown

MacKintosh, Frank (Mayor)
Town of Digby

Nixon, Shirley
Town of Liverpool

Hiltz, Kyle
Town of Mahone Bay

Atkinson, Sylvester (Mayor)
Town of Middleton

White, Bernie
Town of New Waterford

Hood, Earle (Mayor)
Town of Windsor

Thomson, Roy
Town of Wolfville

Williams, Tracey
Dartmouth Social Services

Harris, Raymond
Shelburne District Office

Stackhouse, Tina
Association of Municipal Administrators

Zwicker, Sherman
Union of Nova Scotia Municipalities

ORGANIZATIONS

Langille, Sheldon
Associated Homes for Special Care

Jorden, Wallace
Bayers Road United Baptist Church

Gregg, Valory
Canadian Paraplegic Association

Gibson, Margaret
Canadian Pensioners Concerned Inc.

Baxter, Larry
Canadian Red Cross Society

McDonald, Marian
Cumberland County Transition House Association

Fay, Jeanne E.
Dalhousie Legal Aid Service

Purchase, James (Rev.)
Emmanuel Church

Chang, James (Rev.)
First Baptist Church

Carter, Randy
Friends of Schizophrenics

Harrington, Peter
Halifax Regional Welfare Rights Organization

Hart, Barbara
Kidney Foundation of Canada

McDonough, Alexa
New Democratic Party

Whiting, Susan
Nova Scotia Nutrition Council

Blouin, Barbara
Nova Scotia Royal Commission on Health Care

People for Affordable Housing in Lower Sackville

Hazell, Ron
St. Lawrence Church (Social Justice)

MacKay, Dr. W.
Task Force on AIDS

Kirkpatrick, A. M.
Workshop Council of Nova Scotia

INDIVIDUALS

Balton, Frederick

Blois, Betty

Bowser, Keith

Cook, Ms. S. P.

Dainard, Gerri

Dalton, E. R.

Keirstead, Robert

Keyes, Gene

Leith, C.

MacKenzie, Mary

MacNeil, Sandra

McCabe, Miles

Murray, Suzanne

Rafuse, Marcus

Steeves, Linda

Strickland, Janet

Weagle, Anthony

APPENDIX C

Homes for Special Care

Historical Background and Trends

HOMES FOR SPECIAL CARE

Historical Context

1958 was a historic year. It was the turning point in the development of social service programs in the Province of Nova Scotia. For approximately 200 years, from 1759 - 1958, only a few minor changes had been enacted in the Nova Scotia Statutes which had been based on the English Poor Laws. The changes effected in 1958 were far-reaching, inasmuch as they established policy directions towards upgrading and improving the old poor houses and county homes with a view to having them become more modern Homes for Special Care with Federal/Provincial cost-sharing.

Up until 1958 the mentally ill, the indigent, and the severely mentally handicapped were housed together in one institution. With the introduction of the Social Assistance Act of 1958, the mentally ill and the severely mentally handicapped became the responsibility of the Department of Health, and were placed in institutions inspected or regulated by that Department. Municipal Homes came under the supervision of the Department of Social Services. Because the new Social Assistance Act permitted sharing costs for residents in these homes, standards of care were greatly improved.

As early as May 3, 1958, the Nursing Homes Act was assented to and placed under the aegis of the Department of Health, however, it was not proclaimed until February 1961. This Act marked the beginning of legislated responsibilities for standards of care in privately operated nursing homes.

Starting in 1965, major improvements were made in both the establishment of facilities and the delivery of services to the aged and mentally handicapped. The Boarding Homes Act was proclaimed in 1965 requiring each privately operated Home caring for four or more residents to be licensed. Standards for space per resident, fire protection, health care and food preparation were established. In 1966, responsibility for patients in municipal mental hospitals was reassigned with five of these hospitals and a total of 870 patients transferred to the Department of Social Services. These five hospitals were renamed Homes for the Disabled. In 1972, the Departments of Health and Social Services and the Health Services Insurance Commission agreed upon standards for levels of care and for the classification of persons being admitted to Homes.

1976 was a significant year in that;

(1) the Homes for Special Care Act was proclaimed, incorporating the former Nursing Homes Act and the Boarding Homes Act;

(2) the Rehabilitation and Community Services Division was formed and became responsible for all homes for the aged, mentally handicapped adults and mentally handicapped children and

(3) Homes for the Disabled were renamed Adult Residential Centres and adopted a philosophy of deinstitutionalization based on the principle of normalization.

(4) Development of Group Homes and Developmental Residences increased with the number of Homes increasing from four to thirty-six since that time and the number of beds from forty to 290.

In 1978, the responsibility for Nursing Homes was transferred from the Department of Health to the then Department of Social Services.

During the 1970's, there was dramatic growth in the number of Homes for the Aged. Since 1969, twenty-four new Homes for the Aged have been constructed in Nova Scotia, with 1,678 new beds. In addition, five new homes were constructed to replace old facilities. The total number of Homes for the Aged is now 38 with 3,596 beds.

In contrast, the early years of the 1980's have been marked by an increasing emphasis on the development of community in-home support services and programs for the elderly, the disabled and the mentally handicapped. Increasingly, the home and the community are viewed as the primary care setting of choice while Homes for Special Care are recognized as only one element, albeit an essential one, in a total care system that is designed to meet individual needs.

Trends

The programs for Homes for Special Care have expanded substantially in the 1980's and the cost of maintaining residents in Homes for Special Care has become a major expenditure for municipalities. By 1987/88, provincial cost-sharing of municipal expenditures on behalf of persons in need dropped from 66 2/3% to a provincial average of approximately 58.5%. This situation occurred at a time when the resident population within Nursing Homes and Homes for the Aged required additional services, due in large part to the onset of chronic and disabling conditions associated with aging. The average age in these facilities is now 87 years.

With the increase in levels of care in Nursing Homes came a demand for considerably more staff, which has resulted in substantial increases in per diem rates. Also, a number of homes, such as Valley View Villa, Ocean View Manor, Oakwood Terrace and Grandview Manor during the 1980's started demonstration projects such as enriched housing adjacent to their facilities. While this program has been immensely successful, it has added to the demand for additional staff.

It may be speculated however, that the demand for Residential Care Facilities will decrease, as in-home support services and co-ordinated home care services for the elderly become more available and offer a wider range of services, as a more sophisticated and comprehensive community-based service delivery system for the mentally handicapped is developed, and as progress is made in the development of a community support system for the post-mentally ill. In fact, a decrease in the number of facilities and residents is already noticeable. On May 1, 1976, there were 93 Residential Care Facilities with 1,781 beds. On May 1, 1988, there were 63 Residential Care Facilities with 1,112 beds.

For the past decade the trend in Nova Scotia has been to develop residential and support services for the mentally handicapped, in keeping with the principle of normalization. This policy includes the gradual deinstitutionalization of mentally handicapped and mentally disabled persons from large, often remote institutional facilities, and a rehabilitative rather than custodial orientation within institutions to ensure that persons are moved as quickly as possible to community alternatives. As the array of small unlicensed residential community options such as associate families, adult foster home placements, community training homes and supervised apartments grows and expands in number, institutions will experience a decline in admission rates while finding that their remaining resident populations are becoming elderly thus requiring additional care and creating a demand for higher staffing ratios.

In summary, it may be speculated that there will continue to be a demand over the next five years for spaces in facilities caring for the aged however, due to the higher care provision and increasing age of the residents, the cost of maintaining these individuals will increase. If those Residential Care Facilities currently in existence are to remain viable, in light of today's trend toward small unlicensed options, they will need to provide programming to the residents, ultimately increasing costs. It is further speculated that the rapid growth of Group Homes and Developmental Residences will cease as small options continue to expand. Adult Residential Centres and Regional Rehabilitation Centres will most likely continue to show a steady decline in utilization rates as other community options are used and will provide for heavier care populations. Smaller facilities will be faced with ultimate closure or will have to redefine their role. Those facilities that continue to operate will most certainly need additional staff and monies to finance the additional services to be provided.

APPENDIX D

IMPACT OF UNIFORM COST-SHARING AT 75%

IMPACT OF UNIFORM COST SHARING FOR GA AND ADMIN
AT 75% WHERE
ORGANIZED SOCIAL SERVICES DEPT

	MUNICIPALITY	1987/88 GROSS	PROV COST SHARING TO MUNIC	%75 GROSS	PROV VARIANCE	MUNIC VARIANCE
1	HALIFAX	12518020	8325419	9388515	1063096	-1063096
1	DARTMOUTH	9081615	5906700	6811211	904511	-904511
1	SYDNEY	2591760	1925551	1943820	18269	-18269
2	GLACE BAY	1820000	1352040	1365000	12960	-12960
2	NEW GLASGOW	808669	603746	606502	2756	-2756
2	TRURO	804800	546757	603600	56843	-56843
2	BEDFORD	497498	344146	373124	28978	-28978
2	YARMOUTH	484856	312341	363642	51301	-51301
2	AMHERST	470330	311902	352748	40846	-40846
3	SYDNEY MINES	921301	675611	690976	15365	-15365
3	NORTH SYDNEY	659423	488670	494567	5897	-5897
3	WESTVILLE	581892	470299	436419	-33880	33880
3	PICTOU	562892	419969	422169	2200	-2200
3	PORT HAWKESBURY	506966	326475	380225	53750	-53750
3	NEW WATERFORD	410993	364453	308245	-56208	56208
3	SPRINGHILL	377202	273504	282902	9398	-9398
3	TRENTON	372837	277971	279628	1657	-1657
3	STELLARTON	365947	271719	274460	2741	-2741
3	BRIDGEWATER	334570	222714	250928	28214	-28214
3	WINDSOR	192359	143681	144269	588	-588
3	DOMINION	182945	166430	137209	-29221	29221
3	DIGBY	179516	112481	134637	22156	-22156
3	LIVERPOOL	173350	110893	130013	19120	-19120
3	ANTIGONISH	150625	94458	112969	18511	-18511
3	KENTVILLE	102278	67382	76709	9327	-9327
3	MIDDLETON	101919	63573	76439	12866	-12866
3	LUNENBURG	95010	69521	71258	1737	-1737
3	WOLFVILLE	93623	68451	70217	1766	-1766
3	PARRSBORO	73792	52268	55344	3076	-3076
3	MULGRAVE	61999	40670	46499	5829	-5829
3	MAHONE BAY	57560	34521	43170	8649	-8649
3	ANNAPOLIS ROYAL	49108	28563	36831	8268	-8268
3	STEWIACKE	42071	31553	31553	0	0
3	HANTSPORT	41943	31222	31457	235	-235
*3	BRIDGETOWN	39500	26333	26347	14	-14
3	SHELBURNE	32277	23832	24208	376	-376
3	BERWICK	29395	22046	22046	0	0
3	LOCKEPORT	23948	17761	17961	200	-200
3	CANSO	22999	19172	17249	-1923	1923
*3	OXFORD	21000	12648	14007	1359	-1359
*3	LOUISBOURG	12500	6838	8338	1500	-1500
3	CLARKS HARBOUR	6211	4508	4658	150	-150

4	HALIFAX CO	8839438	6061490	6629579	568089	-568089
4	COLCHESTER	1471193	980786	1103395	122609	-122609
4	PICTOU CO	1312236	990110	984177	-5933	5933
4	CAPE BRETON	1027565	817074	770674	-46400	46400
4	ANNAPOLIS CO	968496	608500	726372	117872	-117872
4	KINGS	876197	645234	657148	11914	-11914
4	LUNENBURG CO	821390	554590	616043	61453	-61453
4	INVERNESS	744450	640729	558338	-82392	82392
4	CUMBERLAND	678699	486792	509024	22232	-22232
4	HANTS W	557491	419331	418118	-1213	1213
4	VICTORIA	521858	391393	391394	1	-1
4	DIGBY CO	445434	308965	334076	25111	-25111
4	HANTS E	431162	316021	323372	7351	-7351
4	QUEENS	397185	257691	297889	40198	-40198
4	CBJTEX	392811	299163	294608	-4555	4555
4	YARMOUTH CO	386896	267831	290172	22341	-22341
4	RICHMOND	386421	352098	289816	-62282	62282
4	CHESTER	368470	248030	276353	28323	-28323
4	CLARE	368015	271746	276011	4265	-4265
4	ARGYLE	321896	234834	241422	6588	-6588
4	ANTIGONISH CO	304461	237367	228346	-9021	9021
4	GUYSBOROUGH CO	274631	233957	205973	-27984	27984
4	ST.MARY'S	153347	109238	115010	5772	-5772
4	BARRINGTON	55707	45961	41780	-4181	4181
4	SHELBURNE CO	51172	40664	38379	-2285	2285
		58114120	40488387	43579531	3091144	-3091144

*REMAIN AT 66.67%

APPENDIX E

NET COST OF 5% ANNUAL REDUCTION IN COST-SHARING

NET COST OF 5% ANNUAL REDUCTION IN COST SHARING FOR MUNICIPAL UNITS ABOVE 75%

MUNICIPAL UNIT	1987/88 SHARING	TOTAL REDUCTION	YEAR 1 %SHARE	YEAR 1 MUNIC	YEAR 1 PROV	YEAR 2 %SHARE	YEAR 2 MUNIC	YEAR 2 PROV	YEAR 3 %SHARE	YEAR 3 MUNIC	YEAR 3 PROV
WESTVILLE	80.8	33880	75.8	29095	4785	75	4785				
NEW WATERFORD	88.7	56208	83.7	20550	35658	78.7	20550	15108	75	15108	
DOMINION	91	29221	86	9174	20074	81	9147	10927	76	9147	1780
CANSO	83.4	1923	78.4	1150	773	75	773				
PICTOU COUNTY	75.5	5933	75	5933							
CAPE BRETON	79.5	46400	75	46400							
INVERNESS	86.1	82392	81.1	37223	45169	76.1	37223	7946	75	7964	
HANTS W	75.2	1213	75	1213							
CB JT EX	76.2	4555	75	45555							
RICHMOND	91.1	62282	86.1	19321	42961	81.1	19321	23640	76.1	19321	4319
ANTIGONISH CO	78	9021	75	9021							
GUYSBOROUGH CO	85.2	27984	80.2	13732	14252	75.2	13732	520	75	520	
BARRINGTON	82.5	4181	77.5	2785	1396	75	1396				
SHELBURNE CO	79.5	2285	75	2285							
TOTALS		367478		243437	165068		106927	58141		52060	6099